GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1225
ANSWERED ON:24.10.2008
UNPAID CUSTOMS DUTY
Muqueem Shri Mohammed

Will the Minister of FINANCE be pleased to state:

(a) details of Drug Companies which have not paid customs duty for Import of drugs from China;

(b) whether cases of over invoicing have been detected by the D.R.I. against some companies;

(c) if so, the details thereof; and

(d) the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a) The details of Drug Companies which have not paid customs duty for import of druas from China are as under:-

Year Names of Drug Companies

2005-2006
(i) Mis. GPPL

(ii) KDL Bio tech

2006-2007 Nil

2007-2008
(i) KDL Bio tech

(ii) Unimark Remedies

It has been alleged that the aforesaid importers imported the drugs free of duty under the export promotion schemes and diverted the goods into the Domestic Tariff Area.

(b) Yes,Sir.

(c) The details are given as under:

(Rs. in Lakhs)

Year	No.of cases	Names of drug Companies	Value of goods
2005-06	5	(i)Sidhi Impex	2043.25
		(ii)Mejda International	192.15
		(iii)Helpline	549.50
		(iv)Venkat pharma Ltd.	11961.86
		(v) S.Imoex(P) Ltd.	2194.97

(d) Action under the provisions of the Customs Act, 1962 was initiated and Show Cause Notices issued to the errant Drug Companies for demanding duty and imoosina fine/Denalties.